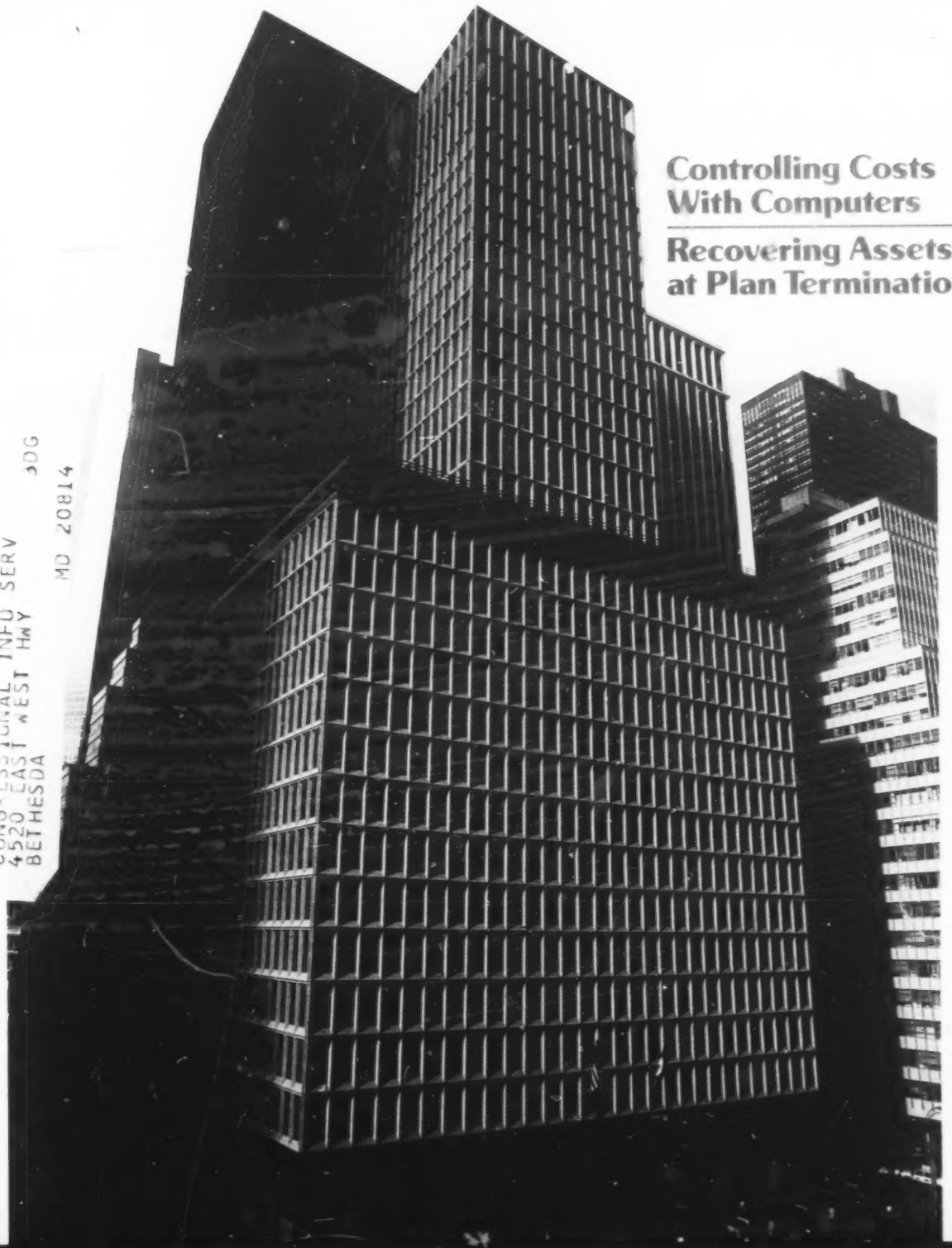
MARCH 1984

Pension World

The Magazine for Plan Sponsors and Investment Managers/ A Publication of Communication Channels, Inc.

Bankers Trust—Giant in Pension Asset Management



Controlling Costs With Computers

Recovering Assets at Plan Termination

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Pension World

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Volume 20 Number 3

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Features

Investment Management Profile: Bankers Trust—$29 billion and competitively growing by Ronald Derven **20**
Bankers Trust is a giant in the pension asset management business. The senior vice president discusses the firm's management philosophy and strategy.

Cost Containment: Automated administration helps control costs by John L. Krakauer **23**
With today's emphasis on the containment of health care costs, the history of claims and payments provided by automated systems is essential for employers to make informed decisions on cost-containment alternatives. This article deals with the evolution of claims administration and gives information on today's computer systems.

Investment Management: A new look at responsible use of pension funds by Hillel Gray **25**
Public and union pension funds are breaking with traditional principles of money management and exploring the new range of proposals put forth during the last few years. Corporations, however, have continued to stand behind the traditional beliefs. This article examines the use of pension funds in nontraditional investments.

Compensation: Comparable worth—a force or a fizzle? by Robert H. Knoch **29**
Recent developments tend to support the belief that the concept of comparable worth is here to stay. This article takes a look at how this new dimension of social value, in which marketplace considerations become less important, affects the compensation system.

FASB Proposals: Accounting for pensions—what price comparability? by Douglas C. Borton **30**
The Financial Accounting Standards Board has made an effort to find a solution to the problem of comparable accounting for pensions, but the proposals, if adopted, could lead to confusion and negative financial repercussions for some companies. An actuary takes a look at how these proposals will affect the plan sponsor and what recommendations can be made.

Current Issues in Plan Design: Lump sum distribution—glitter or gold? by Philip M. Alden **33**
The belief that lump sum distributions offer "unique tax advantages" may be more folklore than reality. A consultant with Towers, Perrin, Forster & Crosby looks at taking a lump sum as compared to an annuity and what this means in terms of tax-effectiveness.

Pension World Basics: Alternatives to pension plan termination by Arthur B. Kagan **37**
More and more companies are terminating their pension plans because of cash flow problems and bankruptcies due to the recession. This article presents realistic options to plan termination that require taking a long-term view and evaluating tax and financial benefits that plans provide.

What Every Fiduciary Should Know: Walking the tightrope of pension plan asset reversions by Jeffrey D. Mamorsky and Stacey Forin Zimmerman **43**
An important issue confronting the employee benefits field today is the termination of "overfunded" defined benefit pension plans in order to recapture excess assets. This article takes a look at the circumstances involved in which an employer may recover excess plan assets and what the long-range implications may be.

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Cover: **Bankers Trust corporate headquarters is located at 280 Park Avenue, New York, N. Y. The story of this giant in the pension asset management field begins on page 20.**

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ISSN 0098-1753

Pension World is published monthly by Communication Channels, Inc. Tim Gold Blyth, Chairman of the Board. B.J. Kotsher, President. Scott Smith, Secretary. John Moebius, Treasurer. Editorial and advertising offices at 6255 Barfield Road, Atlanta, GA 30328. Telephone (404) 256-9800. Telex 4611075COMCHANI. *Pension World* is a registered trademark of Communication Channels, Inc.

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Second class postage paid at Atlanta, GA and at additional mailing offices. Subscription rates: U.S.A., 1 year, $38; 2 years, $63; Canada and Mexico, 1 year, $41; Foreign Sea Mail, 1 year, $48; Foreign Air Mail, 1 year, $78. Single copies, $3.50. Group rates available. The opinions expressed by authors and contributors to *Pension World* are not necessarily those of the editors or publisher.

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Postmaster: Please send form 3579 to Circulation Department, *Pension World*, 6255 Barfield Road, Atlanta, GA 30328.